

## RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDLAND CHAMBER OF COMMERCE IN SUPPORT OF 2020-2029 UNIFIED TRANSPORTATION PLAN

**WHEREAS**, The Permian Basin is seeing unprecedented economic growth, and nowhere is that more apparent than the 12 county TXDOT Odessa District located at the very heart of the Permian Basin; and

**WHEREAS,** From 2011 to 2018, the Odessa District produced 25% of all state severance taxes, and the oil and gas production that go with it. Even more impressive, during the last five years (2014-2018), that percentage grew from 20.7% to 38.2%; and

**WHEREAS,** The Odessa District has also seen impressive growth in gross sales and state sales tax generation. In 2017, the 1.6% of our state's population who reside here generated 3.23% of all state sales tax. In the first 2 reported quarters of 2018, that number grew to just over 4%; and

**WHEREAS**, Midland and Odessa serve as the population and metropolitan hub of the Odessa District and the largest Combined Statistical Area in the Permian Basin; and

**WHEREAS**, In 2017, Midland and Odessa, alone, generated \$100 million more in state sales tax than Abilene, Amarillo, Lubbock, and San Angelo, combined, and Midland and Odessa generated \$200 million more than El Paso; and

**WHEREAS,** Over the last 10 years, hotel/motel revenue has increased by over \$200 million annually in the Odessa District and grown from 1.7% of the state's total hotel/motel revenue to nearly 3%. Midland and Odessa, combined, generated revenue on par with places like Corpus Christi and Galveston; and

**WHEREAS**, Over the period of 2017 to 2018, Midland County had the largest percentage population growth in the nation at 4.3% and Ector County was in the top 5 at 3.2%. That's a total of 12,334 new people living in Midland-Odessa; and

**WHEREAS**, Midland County led the entire state in vehicle registration increases from 2017 to 2018 and together, Midland and Ector Counties accounted for over 25,000 additional vehicle registrations, and the 12 counties of the Odessa District accounted for 31% of the growth in registered vehicles in Texas from 2017 to 2018; and

**WHEREAS**, Midland ranked 7<sup>th</sup> and Ector ranked 12<sup>th</sup> in employment gains, and 7<sup>th</sup> and 10<sup>th</sup> for labor force gains from 2017 to 2018. That's a combined increase of 19,415 jobs in Midland and Odessa, and 17,909 new workers. Those gains represent nearly 7% of labor and employment gains in the State of Texas. The labor increase represents 5,600 more workers in the Midland-Odessa area than the population increase estimated by the US Census; and

**WHEREAS**, The Midland-Odessa area commuting workforce represents over 29 states and 24 of the 25 MSA's in Texas, and that 75% of that commuting workforce resides over 100 miles outside the boundaries of the Odessa District; and

WHEREAS, The lack of infrastructure has negatively affected the quality of life in the Permian Basin and resulted in a devaluation of West Texas Intermediate (WTI). That devaluation has cost the State of Texas \$1.3 billion in state severance revenue during the current biennium, and in just the last 3 years (2016-2018) crashes in the Odessa District are up 67% and fatalities are up 97%, while commercial motor vehicle (CMV) related crashes are up 160% and CMV related fatalities are up 122%; and

**WHEREAS**, In 2018, the Odessa District with 1.6% of the state population (US Census) was responsible for nearly 15% of all statewide CMV fatal crashes; and

WHEREAS, Midland and Odessa through their respective cities and development corporations have leveraged \$30 million in local tax dollars to facilitate transportation improvements to the state highway system by the Texas Department of Transportation in an effort to improve safety and capacity, but our infrastructure needs continue to fall behind due to the rapid growth in economic activity and population and labor force; therefore, be it

**RESOLVED**, That the Midland Chamber of Commerce supports the proposed 2020-2029 Unified Transportation Plan (UTP) and the addition of \$600 million over the next two years dedicated to the Permian Basin and would respectfully request that the Transportation Commission continue that same funding level for the Permian Basin throughout the entire 2020-29 UTP; and, be it

**FURTHER RESOLVED**, We would request the department to provide additional planning and development resources in the Odessa District to accelerate critical projects like:

- Grade Separated Interchanges and completion of Loop 338 in Odessa to freeway design
- Development of the US 385 corridor from Odessa to I-10, the SH 302 Corridor from Odessa to Kermit, and the SH 349 Corridor from Midland to Rankin
- Improvements to Loop 250 and State Highway 191 area in Midland
- Completion of the Craddick Reliever Route and begin planning the extension of that route to provide another critical connection between Midland and Odessa
- Necessary improvements to address capacity issues on Interstate 20

Approved on August 21, 2019

ATTEST:

Robert Rendall, Chair

Robt. E. Burns, President & CEO